State of Idaho

DEPARTMENT OF INSURANCE

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NEWS RELEASE

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FROM HOMEOWNER TO RENTER

What You Need To Know about Renter's Insurance

BOISE ID (December 11, 2008) – As the economy downturn continues, more and more people are losing their homes to either foreclosure or financially motivated downsizing. According to RealtyTrac, foreclosure filings increased by 5% in October, a 25% increase from October 2007.

Most homeowners with a mortgage purchase homeowner's insurance as a requirement of their loan. Renters have many of the same asset protection and liability risks as homeowners but many choose to go without renter's insurance. Department of Insurance Director Bill Deal said, "It is unwise to leave your assets unprotected. The cost of insurance is much less than the cost of replacing your personal property in the event of a loss."

The average renter's insurance policy costs between \$15 and \$30 per month and can cover everything form electronics to clothing to household appliances. The personal property of renters is not covered by the landlord's property insurance policy, and tenants are liable for damage they might cause to the building such as a kitchen fire or plumbing mishap.

Director Deal urges consumers changing from homeowner's insurance to renter's insurance to understand the differences between the two types of coverage. "Your insurance agent can help you get the right amount of coverage for your personal property and the hazards you want to be insured against," he said.

If you have questions or are confused about your insurance policy, contact the Department of Insurance, 800-721-3272 toll-free statewide, or 334-4250 in Boise, or visit the website at www.doi.idaho.gov.

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